



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2011
OF THE CONDITION AND AFFAIRS OF THE

OmniCare Health Plan, Inc.

NAIC Group Code	1137	(Current Period)	1137	(Prior Period)	NAIC Company Code	12193	Employer's ID Number	20-1052897
Organized under the Laws of	Michigan				State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States							
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Hospital, Medical & Dental Service or Indemnity []			
	Dental Service Corporation []		Vision Service Corporation []		Health Maintenance Organization [X]			
	Other []		Is HMO, Federally Qualified? Yes [] No [X]					
Incorporated/Organized	04/22/2004		Commenced Business		10/01/2004			
Statutory Home Office	1333 Gratiot, Ste 400				Detroit, MI 48207			
	(Street and Number)				(City, State and Zip Code)			
Main Administrative Office	1333 Gratiot, Ste 400							
	(Street and Number)							
	Detroit, MI 48207				313-465-1519			
	(City, State and Zip Code)				(Area Code) (Telephone Number)			
Mail Address	1333 Gratiot, Ste 400				Detroit, MI 48207			
	(Street and Number or P.O. Box)				(City, State and Zip Code)			
Primary Location of Books and Records	1333 Gratiot, Ste 400							
	(Street and Number)							
	Detroit, MI 48207				313-465-1519			
	(City, State and Zip Code)				(Area Code) (Telephone Number) (Extension)			
Internet Web Site Address	www.omnicarehealthplan.com							
Statutory Statement Contact	Kenyata J. Rogers				313-465-1519			
	(Name)				(Area Code) (Telephone Number) (Extension)			
	KJRogers@cvty.com				313-465-1604			
	(E-Mail Address)				(Fax Number)			

OFFICERS

Name	Title	Name	Title
Beverly Ann Allen	President and Chief Executive Officer	Kenyata Jamilea Rogers	Chief Financial Officer
John Joseph Ruhlmann	Corporate Controller & Treasurer	Timothy E Nolan #	Executive Vice President

OTHER OFFICERS

Jonathan David Weinberg	Assistant Secretary	Melinda L. Tuozzo	Assistant Treasurer
Shirley R Smith	Secretary		

DIRECTORS OR TRUSTEES

Beverly Ann Allen	William R. Rooney	Charmaine Romero #	Drew Joyce #
Ernestine Romero			

State of Michigan

County of Wayne

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The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions* and *Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Beverly Ann Allen President and Chief Executive Officer	Kenyata Jamilea Rogers Chief Financial Officer	John Joseph Ruhlmann Corporate Controller & Treasurer
Subscribed and sworn to before me this day of ,		a. Is this an original filing? Yes [X] No []
		b. If no:
		1. State the amendment number
		2. Date filed
		3. Number of pages attached
Rochelle D. Jenkins Notary Public December 25, 2012		

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	23,230,626		23,230,626	21,708,655
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$23,448,218 , Schedule E-Part 1), cash equivalents (\$1,356,286 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	24,804,504		24,804,504	20,027,346
6. Contract loans (including \$premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	48,035,130	0	48,035,130	41,736,001
13. Title plants less \$charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	257,182		257,182	216,229
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	492,982
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....	552,893	13,807	539,086	645,222
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)	46,009	46,009	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$0) and other amounts receivable.....	55,874		55,874	1,829,306
25. Aggregate write-ins for other than invested assets	160,260	60,670	99,590	457,995
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	49,107,348	120,486	48,986,862	45,377,735
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	49,107,348	120,486	48,986,862	45,377,735
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Tax Refund Receivable.....	97,900		97,900	457,995
2502. Prepaid Expenses.....	49,686	49,686	0	0
2503. Vehicles.....	10,984	10,984	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	1,690	0	1,690	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	160,260	60,670	99,590	457,995

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$284,358 reinsurance ceded)	18,800,007		18,800,007	17,988,079
2. Accrued medical incentive pool and bonus amounts	1,776,194		1,776,194	1,170,846
3. Unpaid claims adjustment expenses	252,776		252,776	231,558
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act.....			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance	350,954		350,954	150,092
9. General expenses due or accrued	1,219,085		1,219,085	1,028,867
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)).....	514,571		514,571	69,416
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	16,094		16,094	7,735
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	171,931		171,931	142,263
16. Derivatives.....			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
20. Reinsurance in unauthorized companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	23,101,612	0	23,101,612	20,788,856
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	10	10
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	16,600,990	16,600,990
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	9,284,250	7,987,879
32. Less treasury stock, at cost:				
32.1 .....shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 .....shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	25,885,250	24,588,879
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	48,986,862	45,377,735
DETAILS OF WRITE-INS				
2301.			0	0
2302.			0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		0
2502.	XXX	XXX		0
2503.	XXX	XXX		0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		0
3002.	XXX	XXX		0
3003.	XXX	XXX		0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	581,933	629,212
2. Net premium income (including \$0 non-health premium income).....	XXX	185,112,980	187,640,451
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	132,967	120,149
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	185,245,947	187,760,600
Hospital and Medical:			
9. Hospital/medical benefits		112,348,528	118,361,171
10. Other professional services		5,785,773	5,758,112
11. Outside referrals			0
12. Emergency room and out-of-area		11,133,092	11,901,746
13. Prescription drugs		21,072,949	20,079,716
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		1,838,347	1,932,831
16. Subtotal (Lines 9 to 15)	0	152,178,689	158,033,576
Less:			
17. Net reinsurance recoveries		(85,944)	402
18. Total hospital and medical (Lines 16 minus 17)	0	152,264,633	158,033,174
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$0 cost containment expenses.....		2,152,357	2,252,284
21. General administrative expenses.....		24,748,902	23,436,650
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	179,165,892	183,722,108
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	6,080,055	4,038,492
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		733,857	790,582
26. Net realized capital gains (losses) less capital gains tax of \$ (24,107)		92,985	30,122
27. Net investment gains (losses) (Lines 25 plus 26)	0	826,842	820,704
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	6,906,897	4,859,196
31. Federal and foreign income taxes incurred	XXX	2,356,895	1,290,735
32. Net income (loss) (Lines 30 minus 31)	XXX	4,550,002	3,568,461
DETAILS OF WRITE-INS			
0601. Quality Assurance Assessment.....	XXX		0
0602. Other Revenue.....	XXX	132,967	120,149
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	132,967	120,149
0701.	XXX		0
0702.	XXX		0
0703.	XXX		0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			0
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.			0
2902.			0
2903.			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	24,588,879	22,991,060
34. Net income or (loss) from Line 32	4,550,002	3,568,461
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	(94,955)	(107,836)
39. Change in nonadmitted assets	341,324	(246,806)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders	(3,500,000)	(1,616,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital & surplus (Lines 34 to 47)	1,296,371	1,597,819
49. Capital and surplus end of reporting year (Line 33 plus 48)	25,885,250	24,588,879
DETAILS OF WRITE-INS		
4701.		0
4702.		0
4703.		0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

Cash from Operations		1 Current Year	2 Prior Year
1. Premiums collected net of reinsurance		185,313,842	187,790,543
2. Net investment income		856,945	930,850
3. Miscellaneous income		1,906,401	1,083,469
4. Total (Lines 1 through 3)		188,077,188	189,804,862
5. Benefit and loss related payments		150,135,002	156,618,095
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
7. Commissions, expenses paid and aggregate write-ins for deductions		26,689,822	25,551,993
8. Dividends paid to policyholders			0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		1,887,639	3,192,048
10. Total (Lines 5 through 9)		178,712,463	185,362,136
11. Net cash from operations (Line 4 minus Line 10)		9,364,725	4,442,726
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	6,712,730	4,465,948	
12.2 Stocks	0	0	
12.3 Mortgage loans	0	0	
12.4 Real estate	0	0	
12.5 Other invested assets	0	0	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	
12.7 Miscellaneous proceeds	0	0	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	6,712,730	4,465,948	
13. Cost of investments acquired (long-term only):			
13.1 Bonds	8,329,864	8,460,251	
13.2 Stocks	0	0	
13.3 Mortgage loans	0	0	
13.4 Real estate	0	0	
13.5 Other invested assets	0	0	
13.6 Miscellaneous applications	0	0	
13.7 Total investments acquired (Lines 13.1 to 13.6)	8,329,864	8,460,251	
14. Net increase (decrease) in contract loans and premium notes	0	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,617,134)	(3,994,303)	
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	
16.2 Capital and paid in surplus, less treasury stock	0	0	
16.3 Borrowed funds	0	0	
16.4 Net deposits on deposit-type contracts and other insurance liabilities		0	
16.5 Dividends to stockholders	3,500,000	1,616,000	
16.6 Other cash provided (applied)	529,561	703,278	
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(2,970,439)	(912,722)	
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	4,777,152	(464,299)	
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	20,027,346	20,491,645	
19.2 End of year (Line 18 plus Line 19.1)	24,804,498	20,027,346	

OMNI ANNUAL STATEMENT FOR THE YEAR 2011 OF THE OmniCare Health Plan, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	185,112,980	364,158	0	0	0	0	0	184,748,822	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue.....	0									XXX
5. Aggregate write-ins for other health care related revenues.....	132,967	0	0	0	0	0	0	132,967	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	185,245,947	364,158	0	0	0	0	0	184,881,789	0	0
8. Hospital/medical benefits	112,348,528	116,292						112,232,236		XXX
9. Other professional services	5,785,773	2,024						5,783,749		XXX
10. Outside referrals	0	0								XXX
11. Emergency room and out-of-area	11,133,092	3,910						11,129,182		XXX
12. Prescription drugs	21,072,949	29,274						21,043,675		XXX
13. Aggregate write-ins for other hospital and medical.....	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts.....	1,838,347	0						1,838,347		XXX
15. Subtotal (Lines 8 to 14)	152,178,689	151,500	0	0	0	0	0	152,027,189	0	XXX
16. Net reinsurance recoveries	(85,944)							(85,944)		XXX
17. Total hospital and medical (Lines 15 minus 16)	152,264,633	151,500	0	0	0	0	0	152,113,133	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ cost containment expenses.....	2,152,357	114						2,152,243		
20. General administrative expenses	24,748,902	8,692						24,740,210		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	179,165,892	160,306	0	0	0	0	0	179,005,586	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	6,080,055	203,852	0	0	0	0	0	5,876,203	0	0
DETAILS OF WRITE-INS										
0501. Other Revenue.....	132,967							132,967		XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	132,967	0	0	0	0	0	0	132,967	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	367,359		3,201	364,158
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....	185,471,606		722,784	184,748,822
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	185,838,965	.0	725,985	185,112,980
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	185,838,965	0	725,985	185,112,980

OMNI ANNUAL STATEMENT FOR THE YEAR 2011 OF THE OmniCare Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non- Health
1. Payments during the year:										
1.1 Direct	149,623,880	140,045						149,483,835		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	122,680							122,680		
1.4 Net	149,501,200	140,045	0	0	0	0	0	149,361,155	0	0
2. Paid medical incentive pools and bonuses	1,232,998							1,232,998		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	19,084,365	11,455	0	0	0	0	0	19,072,910	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	284,358	0	0	0	0	0	0	284,358	0	0
3.4 Net	18,800,007	11,455	0	0	0	0	0	18,788,552	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0						0		
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	1,776,194							1,776,194		
6. Net healthcare receivables (a).....	379,827							379,827		
7. Amounts recoverable from reinsurers December 31, current year	0							0		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	17,988,076	0	0	0	0	0	0	17,988,076	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	17,988,076	0	0	0	0	0	0	17,988,076	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year.....	1,170,846	0	0	0	0	0	0	1,170,846	0	0
11. Amounts recoverable from reinsurers December 31, prior year	492,982	0	0	0	0	0	0	492,982	0	0
12. Incurred benefits:										
12.1 Direct	150,340,342	151,500	0	0	0	0	0	150,188,842	0	0
12.2 Reinsurance assumed	0		0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	(85,944)	0	0	0	0	0	0	(85,944)	0	0
12.4 Net	150,426,286	151,500	0	0	0	0	0	150,274,786	0	0
13. Incurred medical incentive pools and bonuses	1,838,346	0	0	0	0	0	0	1,838,346	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	6,233,523	2,340						6,231,183		
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	0									
1.4. Net	6,233,523	2,340	0	0	0	0	0	6,231,183	0	0
2. Incurred but Unreported:										
2.1. Direct	12,850,842	9,115						12,841,727		
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	284,358							284,358		
2.4. Net	12,566,484	9,115	0	0	0	0	0	12,557,369	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	0									
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	19,084,365	11,455	0	0	0	0	0	19,072,910	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	284,358	0	0	0	0	0	0	284,358	0	0
4.4. Net	18,800,007	11,455	0	0	0	0	0	18,788,552	0	0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	3,177	136,868	10	11,445	3,187	.0
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare .....					.0	.0
7. Title XIX - Medicaid.....	13,887,076	135,587,234	852,455	17,936,097	14,739,531	17,988,079
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	13,890,253	135,724,102	852,465	17,947,542	14,742,718	17,988,079
10. Healthcare receivables (a).....					.0	.0
11. Other non-health.....					.0	.0
12. Medical incentive pools and bonus amounts	355,576	877,422	257,713	1,518,481	613,289	1,170,846
13. Totals (Lines 9-10+11+12)	14,245,829	136,601,524	1,110,178	19,466,023	15,356,007	19,158,925

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior .....	.0	.0	.0	.0	
2. 2007 .....	.0	.0	.0	.0	
3. 2008	XXX	.0	.0	.0	
4. 2009	XXX	XXX	.0	.0	
5. 2010	XXX	XXX	XXX	.0	.3
6. 2011	XXX	XXX	XXX	XXX	137

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior					
2. 2007					
3. 2008	XXX				
4. 2009	XXX	XXX			
5. 2010	XXX	XXX	XXX		.3
6. 2011	XXX	XXX	XXX	XXX	148

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2007.....	.0	.0		.0	.0	.0			.0	.0
2. 2008.....	.0	.0		.0	.0	.0			.0	.0
3. 2009.....	.0	.0		.0	.0	.0			.0	.0
4. 2010.....	.24	.3		.0	.3	12.5	.0		.3	12.5
5. 2011	364	137	3	2.2	140	38.5	11		151	41.5

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	259,561	259,521	259,408	259,365	259,340
2. 2007.....	131,309	144,719	144,534	144,399	144,341
3. 2008.....	XXX	139,127	153,228	153,256	153,158
4. 2009.....	XXX	XXX	147,122	163,100	163,529
5. 2010.....	XXX	XXX	XXX	140,690	154,685
6. 2011.....	XXX	XXX	XXX	XXX	136,465

Section B – Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	259,682	259,521	259,408	259,365	259,340
2. 2007.....	148,524	145,449	144,568	144,399	144,341
3. 2008.....	XXX	155,452	153,328	153,272	153,158
4. 2009.....	XXX	XXX	164,639	163,383	163,622
5. 2010.....	XXX	XXX	XXX	159,558	155,705
6. 2011.....	XXX	XXX	XXX	XXX	155,919

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2007.....	176,086	144,341	2,588	1.8	146,929	83.4			146,929	83.4
2. 2008.....	177,558	153,158	2,300	1.5	155,458	87.6			155,458	87.6
3. 2009.....	188,810	163,529	2,709	1.7	166,238	88.0	93		166,331	88.1
4. 2010.....	187,616	154,685	2,453	1.6	157,138	83.8	1,017	3	158,158	84.3
5. 2011.....	184,749	136,465	1,896	1.4	138,361	74.9	19,455	250	158,066	85.6

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	259,561	259,521	259,408	259,365	259,340
2. 2007.....	131,309	144,719	144,534	144,399	144,341
3. 2008.....	XXX	139,127	153,228	153,256	153,158
4. 2009.....	XXX	XXX	147,122	163,100	163,529
5. 2010.....	XXX	XXX	XXX	140,690	154,688
6. 2011.....	XXX	XXX	XXX	XXX	136,602

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2007	2 2008	3 2009	4 2010	5 2011
1. Prior	259,682	259,521	259,408	259,365	259,340
2. 2007.....	148,524	145,449	144,568	144,399	144,341
3. 2008.....	XXX	155,452	153,328	153,272	153,158
4. 2009.....	XXX	XXX	164,639	163,383	163,622
5. 2010.....	XXX	XXX	XXX	159,558	155,708
6. 2011.....	XXX	XXX	XXX	XXX	156,067

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2007.....	176,086	144,341	2,588	1.8	146,929	83.4	.0	.0	146,929	83.4
2. 2008.....	177,558	153,158	2,300	1.5	155,458	87.6	.0	.0	155,458	87.6
3. 2009.....	188,810	163,529	2,709	1.7	166,238	88.0	.93	.0	166,331	88.1
4. 2010.....	187,640	154,688	2,453	1.6	157,141	83.7	1,017	.3	158,161	84.3
5. 2011.....	185,113	136,602	1,899	1.4	138,501	74.8	19,466	250	158,217	85.5

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	.0								
2. Additional policy reserves (a).....	.0								
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	0	0	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0		.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0		.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....		46,508	351,758		398,266
2. Salaries, wages and other benefits.....		1,199,327	7,785,667		8,984,994
3. Commissions (less \$ceded plus \$assumed).....		0	60,000		60,000
4. Legal fees and expenses.....		8,139	18,380		26,519
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....		109,682	265,308		374,990
7. Traveling expenses.....		28,486	158,634		187,120
8. Marketing and advertising.....		3,682	217,114		220,796
9. Postage, express and telephone.....		61,236	182,364		243,600
10. Printing and office supplies.....		73,056	601,486		674,542
11. Occupancy, depreciation and amortization.....			35,825		35,825
12. Equipment.....		2,907	27,616		30,523
13. Cost or depreciation of EDP equipment and software.....		220,913	496,297		717,210
14. Outsourced services including EDP, claims, and other services.....			763,798		763,798
15. Boards, bureaus and association fees.....			95,967		95,967
16. Insurance, except on real estate.....		15,696	35,447		51,143
17. Collection and bank service charges.....					0
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....		6,589	1,735,196		1,741,785
23.2 State premium taxes.....			11,188,312		11,188,312
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....		81,777	549,474		631,251
23.5 Other (excluding federal income and real estate taxes).....			(38)		(38)
24. Investment expenses not included elsewhere.....				32,567	32,567
25. Aggregate write-ins for expenses.....	0	294,359	180,297	0	474,656
26. Total expenses incurred (Lines 1 to 25).....	0	2,152,357	24,748,902	32,567	(a) 26,933,826
27. Less expenses unpaid December 31, current year.....		252,776	1,219,085		1,471,861
28. Add expenses unpaid December 31, prior year.....	0	231,558	1,028,867	0	1,260,425
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	2,131,139	24,558,684	32,567	26,722,390
DETAILS OF WRITE-INS					
2501. Other Administration Expenses.....		294,359	180,297		474,656
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598) (Line 25 above)	0	294,359	180,297	0	474,656

(a) Includes management fees of \$6,284,877 to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....30,522	.....30,253
1.1	Bonds exempt from U.S. tax	(a).....0	.....0
1.2	Other bonds (unaffiliated)	(a).....670,905	.....716,534
1.3	Bonds of affiliates	(a).....0	.....0
2.1	Preferred stocks (unaffiliated)	(b).....0	.....0
2.11	Preferred stocks of affiliates	(b).....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0
3.	Mortgage loans	(c).....0	.....0
4.	Real estate	(d).....0	.....0
5.	Contract loans .....	.....0	.....0
6.	Cash, cash equivalents and short-term investments	(e).....24,045	.....19,637
7.	Derivative instruments	(f).....0	.....0
8.	Other invested assets .....	.....0	.....0
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	725,472	766,424
11.	Investment expenses		(g).....32,567
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....0
13.	Interest expense		(h).....0
14.	Depreciation on real estate and other invested assets		(i).....0
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....32,567
17.	Net investment income (Line 10 minus Line 16)		733,857
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$5,459 accrual of discount less \$169,500 amortization of premium and less \$53,490 paid for accrued interest on purchases.
(b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
(d) Includes \$0 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
(e) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
(f) Includes \$0 accrual of discount less \$0 amortization of premium.
(g) Includes \$0 investment expenses and \$32,567 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
(i) Includes \$0 depreciation on real estate and \$0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	12,820	0	12,820	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	56,058	0	56,058	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	68,878	0	68,878	0	0
DETAILS OF WRITE-INS						
0901.	.....	0		0		
0902.	.....			0		
0903.	.....			0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	13,807	2,629	(11,178)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	1,605	1,605
21. Furniture and equipment, including health care delivery assets.....	46,009	73,092	27,083
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	219,373	219,373
25. Aggregate write-ins for other than invested assets	60,670	165,111	104,441
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	120,486	461,810	341,324
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	120,486	461,810	341,324
DETAILS OF WRITE-INS			
1101.	0	0	0
1102.	0	0	0
1103.	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501.	0	0	0
2502. Prepaid Expenses.....	49,686	149,573	99,887
2503. Auto.....	10,984	15,538	4,554
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	60,670	165,111	104,441

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	50,923	50,090	48,154	47,246	46,350	581,933
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	50,923	50,090	48,154	47,246	46,350	581,933
DETAILS OF WRITE-INS						
0601. ....	.0					
0602. ....	.0					
0603. ....	.0					
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying financial statements of the Plan have been prepared in conformity with the NAIC Accounting Practices and Procedures manual except to the extent that Michigan law differs.

Healthcare receivables consist of provider advances and capitation premium, and maternity case rates due from the Michigan Department of Community Health. At December 31, 2011 and 2010, provider advances of \$0 and \$1,439 were non-admitted in accordance with the accounting practices and procedures prescribed by the Michigan Office of Financial and Insurance Regulation. Such provider advances would have been admitted pursuant to NAIC statutory accounting practices and procedures. The effect of having non-admitted the provider advances was a \$0 and \$1,439 reduction of the Plan’s statutory surplus at December 31, 2011 and 2010, respectively.

	2011	2010
Net income Michigan State Basis	\$4,550,002	\$3,568,460
State Prescribed Practice		
Disallowance of Provider Advances	0	0
Net Income, NAIC SAP Basis	4,550,002	3,568,460
Statutory Surplus Michigan Basis	25,885,250	24,588,879
State Prescribed Practices		
Disallowance of Provider Advances		1,439
Statutory Surplus, NAIC SAP	25,885,250	24,590,318

Using the Michigan prescribed practice did not impact or trigger a risk based capital regulatory event.

B. Use of Estimates

The presentation of the Financial Statements in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

(1) Short-term Investments

Short-term investments are carried at amortized cost.

(2) Bonds

Bonds not backed by other loans are stated at amortized cost using the interest method, except for bonds that are rated 3 or below by the NAIC, which are reported as the lower of amortized cost or fair market value. Bonds are amortized using the scientific constant yield to worst methodology.

(3) Common Stocks

The company does not have any common stock.

(4) Preferred Stocks

The company does not have any preferred stock.

(5) Mortgage Loans –

The company does not have any mortgage loans or real estate.

(6) Loan-backed Securities

Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The company applies the retrospective method of valuing loan-backed and asset backed securities.

(7) Investments in subsidiaries, controlled and affiliated companies

The company does not have any investments in subsidiaries, controlled and affiliated companies.

(8) Investments in joint ventures, partnerships & limited liability companies

The company does not have any investments in joint ventures, partnerships & limited liability companies.

(9) Derivatives

The company does not have an derivatives.

(10) Premium Deficiency Reserve –

Premium deficiency calculations do not utilize anticipated investment income as a factor.

(11) Claims unpaid and unpaid claims adjustment expense

NOTES TO FINANCIAL STATEMENTS

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessary based on assumptions and estimates and, while management believes that amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

(12) Capitalization Policy

The Company has not modified its capitalization policy from the prior period.

(13) Pharmaceutical rebate receivable

The company does not have a pharmaceutical rebate receivable.

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

A. Statutory Purchased Method
None

B. Statutory Merger Method
None

C. Assumption Reinsurance
None

D. Impairment Losses
None

4. Discontinued Operations

None

5. Investments

- A. Mortgage Loans – None
- B. Debt Restructuring – None
- C. Reverse Mortgages – None
- D. Loan backed securities

(1) The carrying value for structured securities has been determined in accordance with the guidelines of the NAIC. Fair value is determined using a pricing hierarchy starting with a widely accepted pricing vendor, followed by external broker/dealers, Bloomberg analytic modeling and a benchmark to index model.

The Company uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-back and asset-backed securities with inputs from major third party data providers. It combines the effects of interest rates, volatility, and pre-payment speeds based on various scenarios and simulations (Monte Carlo) with credit loss analysis and resulting effective analytics (spreads, duration, convexity) and cash-flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimates future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.

(2) Not applicable as there was no OTTI recognized in 2011 because the Company did not expect to hold the security to recovery (i.e.: there were no write-downs to projected cash flows)

(3) Not applicable as there was no OTTI recognized in 2011 because the Company did not expect to hold the security to recovery (i.e.: there were no write-downs to projected cash flows).

(4) At December 31, 2011, there are no structured securities that are in an unrealized loss position. Therefore, the table showing unrealized losses on structured securities that are greater and less than a year has not been provided.

E. Repurchase Agreements

None

F. Real Estate

None.

G. Investments in low - income housing credits

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

None

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

- A. All investment income due and accrued that is determined to be in default is written-off and future accruals cease to be reported/admitted.
- B. The Plan has not excluded any investment income due and accrued from surplus as amounts determined to be in default are written off.

8. Derivative Instruments

None.

9. Income Taxes

The components of the net deferred tax asset (DTA) and net deferred tax liability (DTL) as of December 31, 2011 and 2010 are as follows:

	2011			2010		
	Capital	Ordinary	Total	Capital	Ordinary	Total
Gross deferred tax assets	0	563,711	563,711	0	679,397	679,397
Statutory valuation allowance						
Adjusted gross deferred tax asset	0	563,,711	563,,711	0	679,397	679,397
Gross deferred tax liabilities		10,818	10,818		31,547	31,547
Net deferred tax asset before admissibility test	0	552,893	552,893	0	647,851	647,851
Less: Deferred tax asset nonadmitted	0	13,087	13,087	0	2,629	2,629
Net deferred tax asset	0	539,806	539,806	0	645,222	645,222
Increase(decrease) in DTA nonadmitted			10,458			2,629

The amount of admitted adjusted gross deferred tax asset under each component of SSAP10R during 2011 and 2010 is as follows:

		December 31, 2011			December 31, 2010		
		Capital	Ordinary	Total	Capital	Ordinary	Total
Federal income taxes recoverable through loss carryback	10.a	-	539,806	539,806	-	645,222	645,222
Adjusted gross DTA expected to be realized in one year	10.b.i	-	-	-	-	-	-
10% adjusted capital and surplus limit	10 b ii			2,392,142			2,378,086
Admitted pursuant to Paragraph 10.b (lesser of i. or ii.)		-	-	-	-	-	-
Additional admitted pursuant to Paragraph 10.c		-	10,818	10,818	-	31,547	31,547
Risk-based capital:							
Total adjusted capital				-			-
Authorized control level				-			-
Additional admitted pursuant to 10.e.i	10.e.i	-	-	-	-	-	-
Adjusted gross DTA expected to be realized in three years	10.eii.a	-	-	-	-	-	-
15% adjusted statutory capital and surplus limit	10.e.ii.b	-	-	-	-	-	-
Additional permitted pursuant to 10.e.ii (lesser of a or b)		-	-	-	-	-	-
Additional admitted pursuant to 10.e.iii	10.e.iii	-	-	-	-	-	-
		-	-	-	-	-	-
Total Admitted DTA		-	550,624	550,624	-	676,768	676,768
Total DTL		-	(10,818)	(10,818)	-	(31,547)	(31,547)
Net admitted DTA		-	539,806	539,806	-	645,222	645,222
Nonadmitted DTA		-	13,087	13,087	-	2,629	2,629

The company has elected not to admit additional deferred tax assets pursuant to SSAP10R paragraph 10.e. The current period election does

NOTES TO FINANCIAL STATEMENTS

not differ from prior reporting period.

The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities as of December 31, 2011 and 2010 are as follows:

	2011	2010	Change	Character
Deferred tax assets:				
Unpaid claims	130,949	133,711	(2,762)	Ordinary
Unearned premiums	24,567	10,506	14,061	Ordinary
Allowance for doubtful accounts	227,123	255,000	(27,877)	Ordinary
Depreciation			-	Ordinary
Intangible amortization	-	-	-	Ordinary
Capital gain/loss	-	-	-	Capital
Other accrued liabilities	74,610	84,904	(10,295)	Ordinary
Non admitted assets	37,338	160,713	(123,376)	Ordinary
Net operating loss carryforward	-	-	-	Ordinary
Other	69,125	34,563	34,563	Ordinary
Total deferred tax assets	563,711	679,397	(115,686)	
Non admitted deferred tax assets	(13,087)	(2,629)	(10,458)	
Admitted deferred tax assets	550,624	676,768	(126,144)	
Deferred tax liabilities				
Unrealized gains and losses	-	-	-	Ordinary
Other	(10,818)	(31,547)	20,728	Ordinary
Total Deferred tax liabilities	(10,818)	(31,547)	20,728	
Net admitted deferred tax assets	539,806	645,222	(105,416)	

The provision for income taxes on earnings for years ended December 31, 2011 and 2010 are:

	2011	2010
Federal	2,068,711	1,673,494
Tax on capital gains	-	16,219
Foreign		
Change in estimate	264,077	(382,760)
Federal and foreign income taxes incurred	2,332,788	1,306,954

The Company has no net operating loss carryforwards.

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes. These differences for the years ended December 31, 2011 and 2010 may be summarized as follows:

	December 31,	
	2011	2010
Provision computed at statutory rate	2,408,977	1,706,395
Tax-exempt interest, net	(101,519)	(99,855)
State taxes	-	-
Change in Estimate	264,077	(382,760)
Unpaid claims	(2,762)	10,411
Unearned premiums	14,061	10,506
Allowance for doubtful accounts	(27,878)	(246,910)
Depreciation and amortization	3,208	(2,709)
Capital gains/(losses)	-	(15,907)
Other accrued liabilities	(28,666)	23,822
Net operating loss utilization		

NOTES TO FINANCIAL STATEMENTS

	-	-
Other permanent	(231,272)	270,942
Other temporary	34,563	33,020
Income tax provision per accompanying statements of		
operations-statutory basis	2,332,789	1,306,954

The amount of federal income taxes incurred in the current and preceding year that are available for recoupement in the event of future losses is as follows:

2011	\$2,332,789
2010	\$1,306,954

The company does not have any deposits under Section 6603 of the Internal Revenue Code.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. The Plan is wholly owned by Coventry Health Care, Inc. (Parent Company). The Parent Company provides general management services, including senior management services, consulting and administrative services to the Plan. The Company also reimburses the Parent Company for certain expenses paid by the Parent Company on behalf of the Plan. Under the terms of the management services agreement between the Plan and the Parent Company, the Plan incurred management fees of \$1,833,089 and \$1,982,018 in 2011 and 2010, respectively. At December 31, 2011 and 2010, \$171,931 and \$142,263 was due to the Parent Company.
- B. Coventry Management Services, Inc., which is wholly owed by the Parent Company, provides general management, including information systems, consulting and service center operations to the Plan. Under the terms of the management services agreement between the Plan and Coventry Management Services, Inc., the Plan incurred management fees of \$4,451,787 and \$4,813,472 in 2011 and 2010, respectively.
- C. The Plan has an Insolvency Continuation Agreement and Guarantee Agreement with Coventry Health and Life Insurance Company, a wholly owned subsidiary of Coventry Health Care, Inc. The premium for this insurance coverage is \$0.05 PMPM. For the year ended December 31, 2011 and 2010, insurance expenses under this agreement aggregated \$29,097 and \$31,461, respectively.
- D. In 2011, the Plan paid a \$2.0 million ordinary dividend and an \$1.5 million extraordinary dividend to its sole common stockholder and parent company, Coventry Healthcare, Inc. A \$1,616,000 dividend was paid to Coventry Healthcare in 2010.
- E. The Plan provided administrative services to Coventry Healthcare of Delaware (CHD), a wholly owned subsidiary of the Parent Company. Under the terms of the management services agreement between the Plan and CHD, the Plan earned management fees of \$0 and \$71,634 in 2011 and 2010, respectively. This agreement was terminated September 30, 2010.
- F. The Company carries reinsurance coverage for instances in which medical costs for an individual member exceed certain limitations. This coverage is currently through Coventry Health and Life Insurance Company (CH&L), an affiliate of Coventry. The Company is contingently liable for its reinsured losses to the extent that the reinsurance company cannot meet its obligations under the reinsurance contracts. The Plan incurred reinsurance premiums of \$725,985 and \$1,055,009. At December 31, 2011 and 2010, \$284,358 and \$492,982 was due from CH&L reinsurance recoverable.
- G. All outstanding shares of the Company are owned by the Parent Company, which is domiciled in the State of Delaware.

11. Debt

None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefits Plans

- A. The Plan does not sponsor a Defined Benefit Plan.
- B. The Plan's employees are eligible to participate in a 401(k) defined contribution plan sponsored by the Parent. Employees become eligible to participate in the plan upon their first day of employment. Subject to certain limitations, employees may contribute 75% of their salary to the plan which the Plan matches at a rate of 100% up to the first 3% and 50% of the next 3% of each employee's contributions to a maximum of 4.5% of their total salary. The company contributed \$170,263 to the 401 (k) plan in 2011 and \$131,768 in 2010.
- C. The Plan does not offer multiple-employer plans.
- D. The Plan does not offer consolidated/holding company plans.
- E. The Plan does not have an obligation for any post-employment benefits or compensated absences.
- F. Impact of Medicare Modernization Act on Post retirement Benefits – Not Applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- A. The Plan authorized 1,000 shares of capital stock with a par value of \$0.01. All shares are issued and outstanding at December 31, 2011 and 2010.

NOTES TO FINANCIAL STATEMENTS

- B. The Plan does not have any preferred stock authorized or outstanding.
- C. On June 10, 2011, the Plan paid an ordinary dividend of \$2.0 million and an extraordinary dividend of \$1.5 million to its sole common stockholder and parent company, Coventry Healthcare, Inc.
- D. The commissioner of the State of Michigan Office of Financial and Insurance Regulation may limit or disallow the payment of ordinary or extraordinary dividends. Dividends shall be declared or paid only from earned surplus, unless the commissioner approves the dividend prior to payment. Additionally, extraordinary dividends, or any other extraordinary distribution, shall not be paid until 30 days after the commissioner has received notice of the declaration and has not disapproved or has approved the payment. An extraordinary dividend or distribution is defined as any dividend or distribution of cash or other property whose fair market value together with that of other dividends or distributions made within the preceding 12 months exceeds the greater of 10% of the insurer's surplus as of December 31 of the immediately preceding year, or net income, not including realized capital gains, for the 12-month period ending December 31 of the immediately preceding year.
- E. Within the limitation of c) above, there are no other restrictions placed on the portion of Company Profits that may be paid as ordinary dividends to the stockholder.
- F. \$1,000,000 of investments held are restricted pursuant to State of Michigan requirements.
- G. The company does not have any advances to surplus not repaid.
- H. There are no amounts of the company's common stock being held for special purposes.
- I. The company has no special surplus funds.
- J. The Plans unassigned funds were reduced by cumulative unrealized losses of \$381,204 and \$272,292 at December 31, 2011 and December 31, 2010, respectively
- K. The Company has no surplus debentures or similar obligations outstanding.
- L. The company has no current or prior quasi-reorganizations.
- M. The Plan does not have any quasi-reorganizations

14. Contingencies

- A. Contingent Commitments

None
- B. Assessments

The Company has not received notification regarding any Michigan Health Insurance Pool for the insolvency of an insurance company.
- C. Gain Contingencies

None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

None
- E. All Other Contingencies

The Company is continently liable for certain costs in the event that a capitated provider is unable to meet its contractual obligations. The Company has committed no additional reserves to cover any material contingent liabilities.

15. Leases

The Plan leases its office space. The initial lease term was October 1, 2004 to September 30, 2009 with an option to extend the initial lease term for two additional five year periods. The initial lease agreement was amended effective September 1, 2009. The current lease term is September 1, 2009 to August 31, 2015 with a right to extend the initial lease term for two additional three year periods. The Plan, however, has a right to terminate the lease August 31, 2012. Rent expense under the lease agreements for the years ended December 31, 2011 and 2010 were \$237,327 and \$207,571, respectively. The aggregate minimum future payments under the terms of the current lease agreement is \$168,498. Minimum lease payments for each of the four succeeding years are as follows: 2012 - \$168,498; 2013 - \$0; 2014 - \$0.

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

None

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

None.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

None.

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements

The Plan does not have any investments that are carried at fair value in the balance sheet; therefore, the disclosures required by SSAP 100 – Fair Value Measurements are not applicable.

21. Other Items

A. Extraordinary Items

None.

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures

None.

D. Uncollectible Balances

The Company establishes and routinely monitors the allowance for uncollectible accounts. Management considers the allowance to be adequate.

E. Business Interruption Insurance Recoveries

None

F. State Transferable Tax Credits

None

G. Sub-prime mortgage related risk exposure

None.

H. Retained Assets

None.

22. Events Subsequent

Subsequent events have been considered through 2/28/2012 for the statutory annual statement filed on 2/29/2012. For the periods ending, December 31, 2011 and 2010, the Plan did not have any Type I or Type II subsequent events requiring recording in the finance statements or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
Yes() No(X)
If yes, give full details.

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?
Yes() No(X)
If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?
Yes() No(X)
- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
- b. What is the total amount of reinsurance credit taken, whether as an asset or as a reduction of liability for this agreement in this statement? \$0
2. Does the reporting entity have any reinsurance agreement in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collect under the reinsured policies?

NOTES TO FINANCIAL STATEMENTS

Yes() No(X)
If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making these estimates. \$0

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes() No(X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreement or amendments?

B. Uncollectible Reinsurance
None.

C. Commutation of Ceded Reinsurance
None.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

None

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2010 were \$19,158,925. As of December 31, 2011, \$14,404,385 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior year are now \$1,113,178 as a result of re-estimation of unpaid losses and loss adjustment expenses. Therefore, there has been \$3,641,362 favorable prior year development since December 31, 2010. This decrease is the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

None.

27. Structured Settlements

None.

28. Health Care Receivables

In accordance with SSAP No. 84 – “Certain Health Care Receivable and Receivables Under Government Insured Plans”, the following disclosures are made regarding pharmaceutical rebate receivables and risk sharing receivables:

A. Pharmaceutical Rebates Receivables
None

B. Risk Sharing Receivables
None

29. Participating Policies

None.

30. Premium Deficiency Reserves

At December 31, 2011 and 2010, a premium deficiency reserve was determined not to be necessary.

31. Anticipated Salvage and Subrogation

At December 31, 2011 and 2010, no anticipated salvage and subrogation has been deducted from the liability for unpaid claims or losses.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

Michigan.....
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:

.....
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

.....12/31/2009
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2009
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....09/30/2010
- 3.4

By what department or departments? The Office of Financial and Insurance Regulation.....
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ N/A ☒
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes ☐ No ☒

4.12 renewals? Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes ☐ No ☒

4.22 renewals? Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....
.....
.....
.....
.....

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,

7.21 State the percentage of foreign control

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....
.....
.....
.....

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP 621 E. Pratt Street, Baltimore, MD 21202.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Christian Bi, 6310 Hillside Court, Suite 100, Columbia, MD 21046.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [X]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
Yes [X] No []

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s)

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance with a NAIC rating of 3 or below? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes ☒ No ☐
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes ☒ No ☐
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes ☒ No ☐

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$.....

20.12 To stockholders not officers \$.....

20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers \$.....0

20.22 To stockholders not officers \$.....0

20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others \$.....

21.22 Borrowed from others \$.....

21.23 Leased from others \$.....

21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$.....

22.22 Amount paid as expenses \$.....

22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☐ No ☒
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....

INVESTMENT

- 24.1 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.3) Yes ☒ No ☐
- 24.2 If no, give full and complete information, relating thereto
- 24.3 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.4 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes ☐ No ☐ NA ☒
- 24.5 If answer to 24.4 is yes, report amount of collateral for conforming programs. \$.....
- 24.6 If answer to 24.4 is no, report amount of collateral for other programs. \$.....
- 24.7 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ NA ☒
- 24.8 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ NA ☒
- 24.9 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ NA ☒

GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.3). Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	\$.....
25.22	Subject to reverse repurchase agreements	\$.....
25.23	Subject to dollar repurchase agreements	\$.....
25.24	Subject to reverse dollar repurchase agreements	\$.....
25.25	Pledged as collateral	\$.....
25.26	Placed under option agreements	\$.....
25.27	Letter stock or securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....1,049,547
25.29	Other	\$.....

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....
.....

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: \$.....

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Citibank, N.A.....	3800 Citigroup Center, Building B02/08 Tampa, FL 336110-9122.....

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
.....

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
25995.....	Citigroup, N.A.....	3800 Citigroup Center, Building B02/08, Tampa, FL 33610-9122.....
107423.....	Conning, Inc.....	One Financial Place, Hartford, CT 06103.....
.....
.....

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?
- 29.2 If yes, complete the following schedule:
- Yes [] No [X]

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2001. 000000-00-0.....		
29.2999 TOTAL		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	24,586,916	25,564,362	977,446
30.2 Preferred Stocks.....	0		0
30.3 Totals	24,586,916	25,564,362	977,446

30.4 Describe the sources or methods utilized in determining the fair values:

A widely accepted third party vendor followed by a hierachy using broker/dealer quotes, Bloomberg, yield book and analytic model and benchmark to index model.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- Yes [] No [X]
- Yes [] No []

- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?
- 32.2 If no, list exceptions:
- Yes [X] No []

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....

- 34.1 Amount of payments for legal expenses, if any? \$
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2 If yes, indicate premium earned on U. S. business only

\$0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5 Indicate total incurred claims on all Medicare Supplement Insurance.

\$0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned

\$0

1.62 Total incurred claims

\$0

1.63 Number of covered lives

.....0

All years prior to most current three years:

1.64 Total premium earned

\$0

1.65 Total incurred claims

\$0

1.66 Number of covered lives

.....0

1.7 Group policies:

Most current three years:

1.71 Total premium earned

\$0

1.72 Total incurred claims

\$0

1.73 Number of covered lives

.....0

All years prior to most current three years:

1.74 Total premium earned

\$0

1.75 Total incurred claims

\$0

1.76 Number of covered lives

.....0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$185,112,980	\$	.....187,640,451
2.2	Premium Denominator	\$185,112,980	\$	.....187,640,451
2.3	Premium Ratio (2.1/2.2)	.....1.000		.....1.000
2.4	Reserve Numerator	\$20,576,201	\$	.....19,158,925
2.5	Reserve Denominator	\$20,576,201	\$	.....19,158,925
2.6	Reserve Ratio (2.4/2.5)	.....1.000		.....1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [X] No []

5.1 Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical

\$370,000

5.32 Medical Only

\$

5.33 Medicare Supplement

\$

5.34 Dental and Vision

\$

5.35 Other Limited Benefit Plan

\$

5.36 Other

\$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2 If no, give details:

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year

.....2,658

8.2 Number of providers at end of reporting year

.....2,999

9.1 Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months

.....

9.22 Business with rate guarantees over 36 months

.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes ☒ No ☐

10.2 If yes:

10.21 Maximum amount payable bonuses

\$.....1,232,998

10.22 Amount actually paid for year bonuses

\$.....1,232,998

10.23 Maximum amount payable withholds

\$.....

10.24 Amount actually paid for year withholds

\$.....

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes ☐ No ☒

11.13 An Individual Practice Association (IPA), or,

Yes ☒ No ☐

11.14 A Mixed Model (combination of above) ?

Yes ☐ No ☒

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

Yes ☒ No ☐

11.3 If yes, show the name of the state requiring such net worth.

Michigan.....

11.4 If yes, show the amount required.

\$.....10,708,884

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

Yes ☐ No ☒

11.6 If the amount is calculated, show the calculation.

Risk Based Capital CAL

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Wayne County, Michigan.....
Oakland County, Michigan.....
Macomb County, Michigan.....
Hillsdale County, Michigan.....
Kalamazoo County, Michigan.....
Cass County, Michigan.....
St. Joseph County, Michigan.....

13.1 Do you act as a custodian for health savings accounts?

Yes ☐ No ☒

13.2 If yes, please provide the amount of custodial funds held as of the reporting date.

\$.....

13.3 Do you act as an administrator for health savings accounts?

Yes ☐ No ☒

13.4 If yes, please provide the balance of the funds administered as of the reporting date.

\$.....

FIVE - YEAR HISTORICAL DATA

	1 2011	2 2010	3 2009	4 2008	5 2007
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	48,986,862	45,377,735	43,898,690	38,594,019	46,314,817
2. Total liabilities (Page 3, Line 24)	23,101,612	20,788,856	20,907,630	17,772,287	19,705,882
3. Statutory surplus	10,708,884	11,192,506	11,656,808	10,960,124	10,642,664
4. Total capital and surplus (Page 3, Line 33)	25,885,250	24,588,879	22,991,060	20,821,732	26,608,936
Income Statement (Page 4)					
5. Total revenues (Line 8)	185,245,947	187,760,600	186,362,532	168,013,399	166,174,744
6. Total medical and hospital expenses (Line 18)	152,264,633	158,033,174	161,454,678	152,072,173	142,624,595
7. Claims adjustment expenses (Line 20)	2,152,357	2,252,284	2,356,701	2,110,068	2,282,787
8. Total administrative expenses (Line 21)	24,748,902	23,436,650	19,747,591	12,693,853	11,080,111
9. Net underwriting gain (loss) (Line 24)	6,080,055	4,038,492	2,803,562	1,137,305	10,187,251
10. Net investment gain (loss) (Line 27)	826,842	820,704	880,528	1,215,005	2,103,491
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	4,550,002	3,568,461	1,616,207	2,096,741	8,445,739
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	9,364,725	4,442,726	3,654,685	2,196,844	8,349,844
Risk-Based Capital Analysis					
14. Total adjusted capital.....	25,885,250	24,588,879	22,991,060	20,821,732	26,608,936
15. Authorized control level risk-based capital.....	5,354,442	5,596,253	5,828,377	5,480,062	5,321,332
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	46,350	50,923	53,912	54,707	55,778
17. Total members months (Column 6, Line 7)	581,933	629,212	648,845	659,957	689,834
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	82.3	84.2	85.5	85.6	81.0
20. Cost containment expenses	0.0	0.0	0.0	0.0	0.0
21. Other claims adjustment expenses	1.2	1.2	1.2	1.2	1.3
22. Total underwriting deductions (Line 23)	96.8	97.9	97.2	94.0	88.6
23. Total underwriting gain (loss) (Line 24)	3.3	2.2	1.5	0.6	5.8
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	15,356,007	16,127,618	13,931,416	14,104,210	10,381,852
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	19,158,925	17,651,961	17,054,590	17,336,238	15,673,421
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate		0	0	0	0
31. All other affiliated		0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?.....Yes [] No []

If no, please explain:

.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

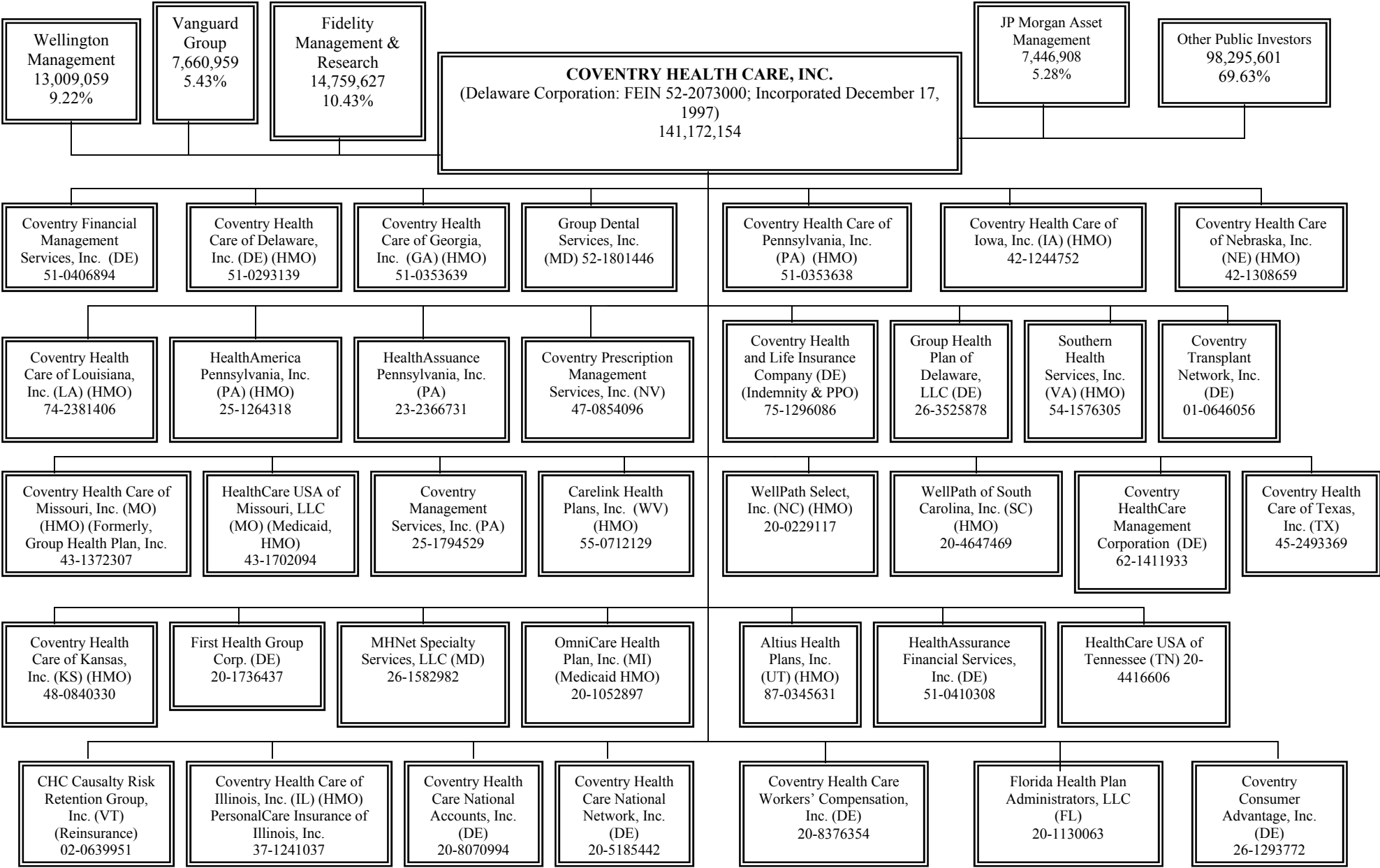
State, Etc.	1	Direct Business Only							
		2	3	4	5	6	7	8	9
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N						0	0
2. Alaska	AK	N						0	0
3. Arizona	AZ	N						0	0
4. Arkansas	AR	N						0	0
5. California	CA	N						0	0
6. Colorado	CO	N						0	0
7. Connecticut	CT	N						0	0
8. Delaware	DE	N						0	0
9. District of Columbia	DC	N						0	0
10. Florida	FL	N						0	0
11. Georgia	GA	N						0	0
12. Hawaii	HI	N						0	0
13. Idaho	ID	N						0	0
14. Illinois	IL	N						0	0
15. Indiana	IN	N						0	0
16. Iowa	IA	N						0	0
17. Kansas	KS	N						0	0
18. Kentucky	KY	N						0	0
19. Louisiana	LA	N						0	0
20. Maine	ME	N						0	0
21. Maryland	MD	N						0	0
22. Massachusetts	MA	N						0	0
23. Michigan	MI	L	367,359	185,471,606				185,838,965	0
24. Minnesota	MN	N						0	0
25. Mississippi	MS	N						0	0
26. Missouri	MO	N						0	0
27. Montana	MT	N						0	0
28. Nebraska	NE	N						0	0
29. Nevada	NV	N						0	0
30. New Hampshire	NH	N						0	0
31. New Jersey	NJ	N						0	0
32. New Mexico	NM	N						0	0
33. New York	NY	N						0	0
34. North Carolina	NC	N						0	0
35. North Dakota	ND	N						0	0
36. Ohio	OH	N						0	0
37. Oklahoma	OK	N						0	0
38. Oregon	OR	N						0	0
39. Pennsylvania	PA	N						0	0
40. Rhode Island	RI	N						0	0
41. South Carolina	SC	N						0	0
42. South Dakota	SD	N						0	0
43. Tennessee	TN	N						0	0
44. Texas	TX	N						0	0
45. Utah	UT	N						0	0
46. Vermont	VT	N						0	0
47. Virginia	VA	N						0	0
48. Washington	WA	N						0	0
49. West Virginia	WV	N						0	0
50. Wisconsin	WI	N						0	0
51. Wyoming	WY	N						0	0
52. American Samoa	AS	N						0	0
53. Guam	GU	N						0	0
54. Puerto Rico	PR	N						0	0
55. U.S. Virgin Islands	VI	N						0	0
56. Northern Mariana Islands	MP	N						0	0
57. Canada	CN	N						0	0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0	0
59. Subtotal	XXX	367,359	0	185,471,606	0	0	0	185,838,965	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	367,359	0	185,471,606	0	0	0	185,838,965	0
DETAILS OF WRITE-INS									
5801.	XXX							0	
5802.	XXX							0	
5803.	XXX							0	
5898. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)	XXX	0	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

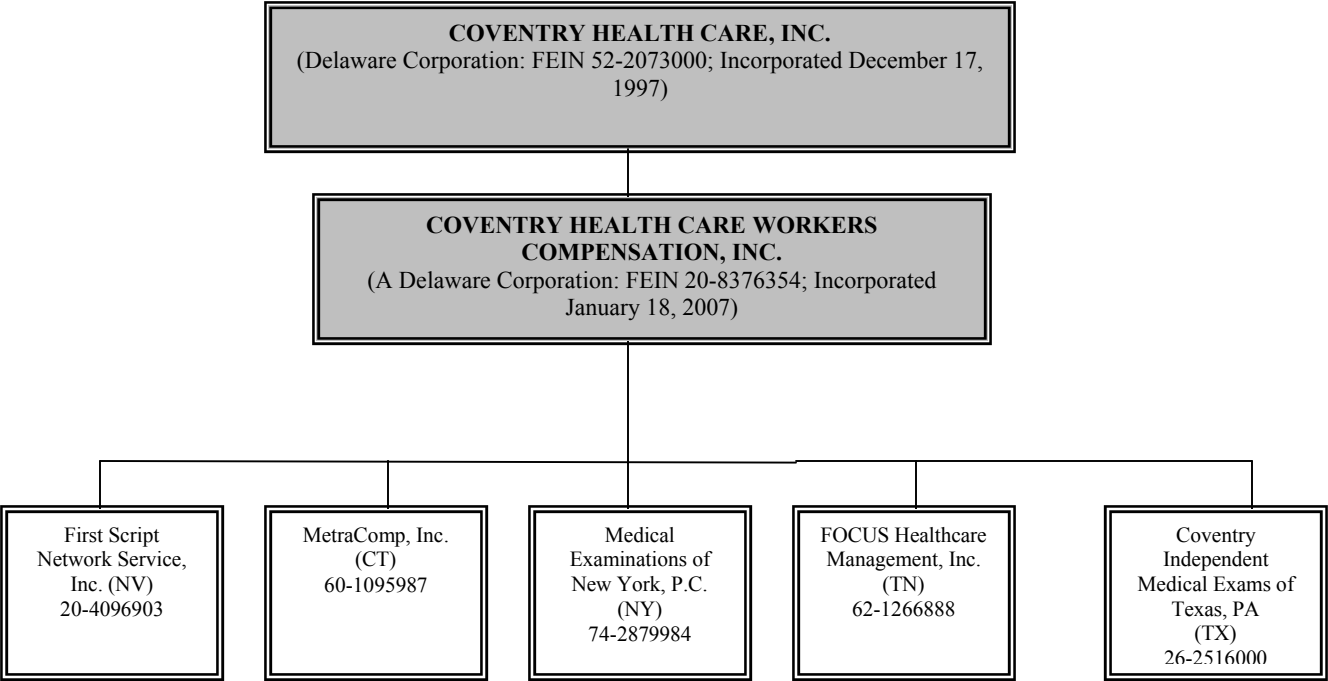
Explanation of basis of allocation by states, premiums by state, etc.: OmniCare Health Plan is only liscensed as a Medicaid HMO in the State of Michigan

(a) Insert the number of L responses except for Canada and other Alien.

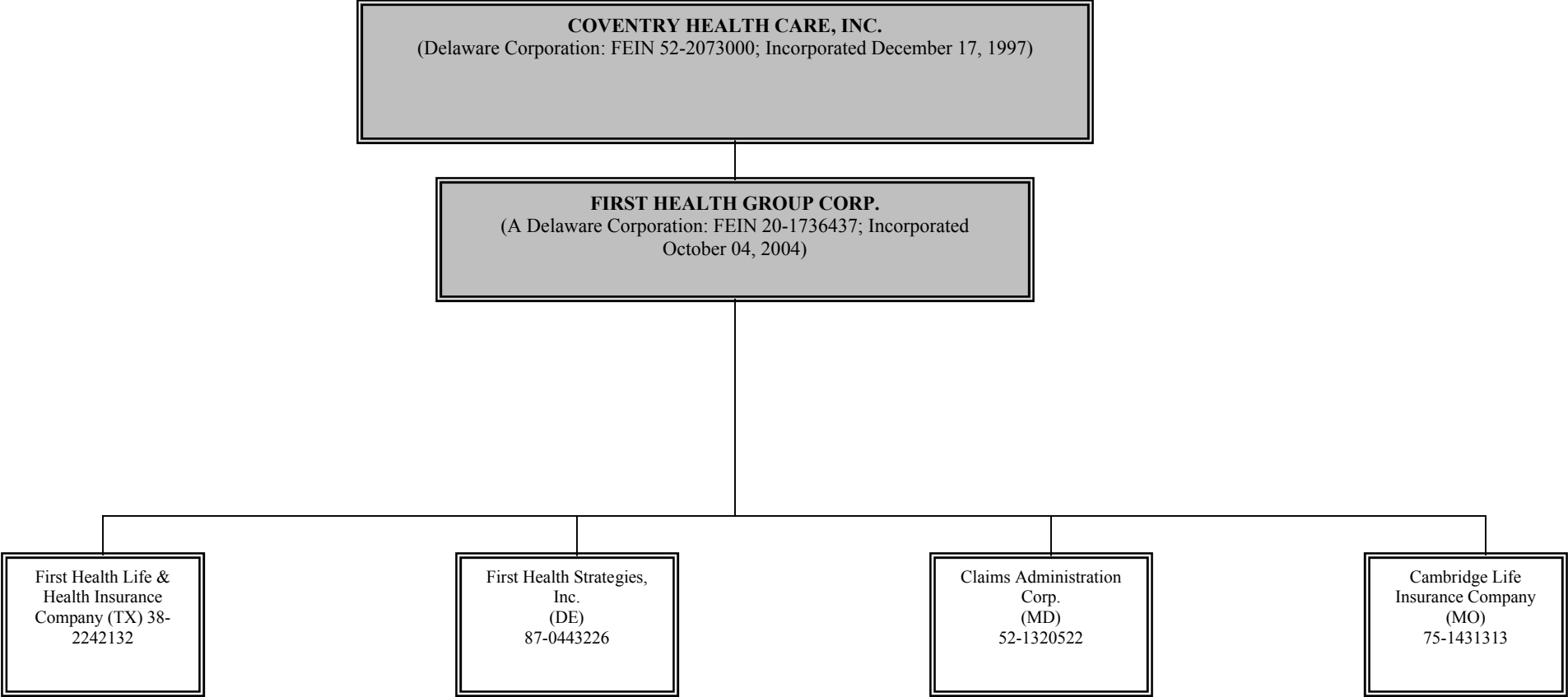
COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



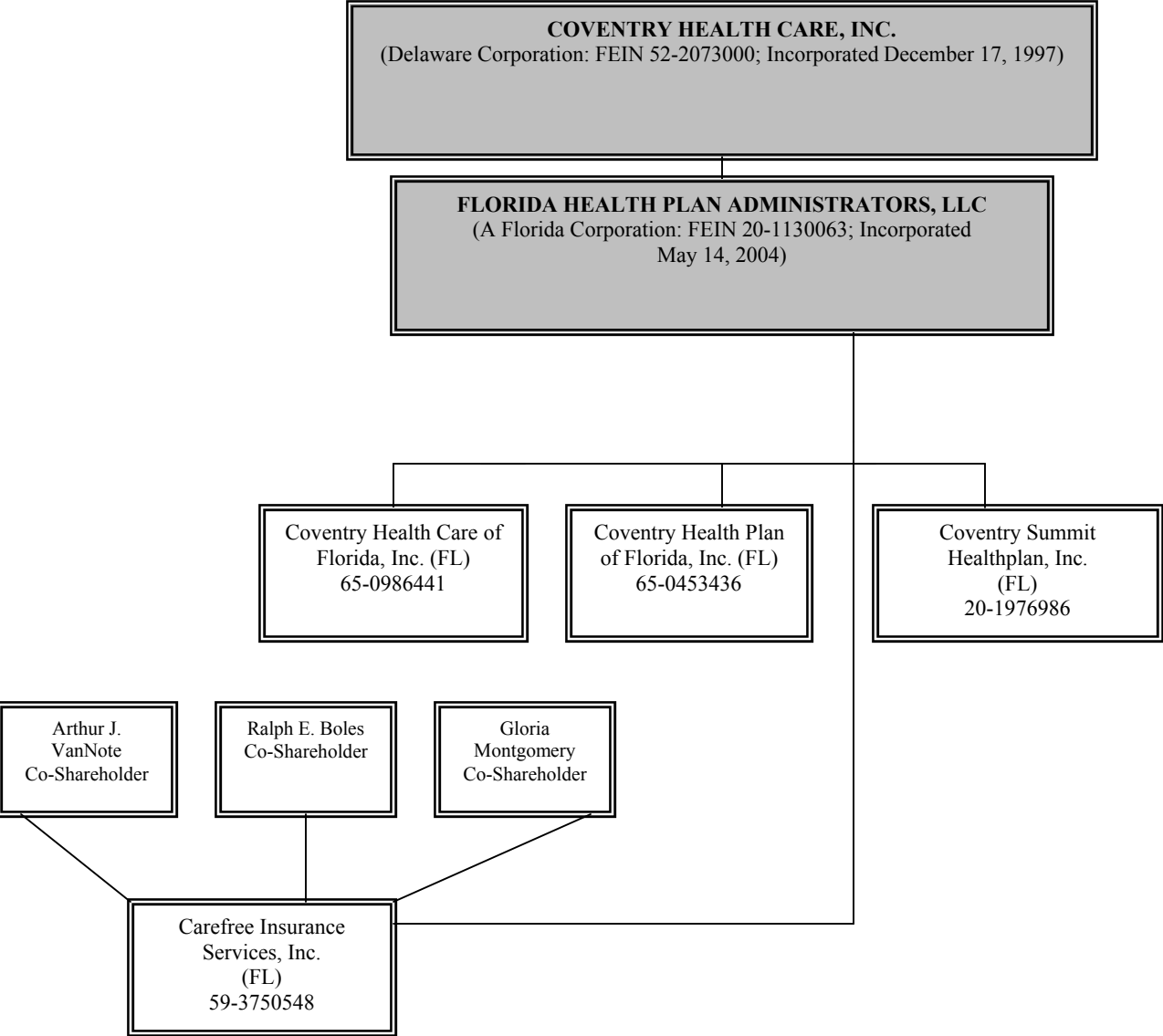
COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



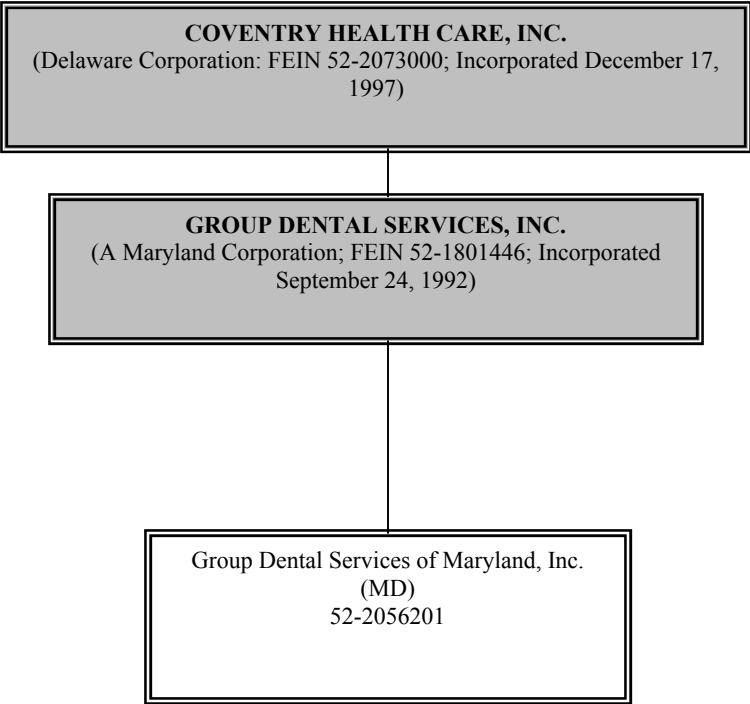
COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



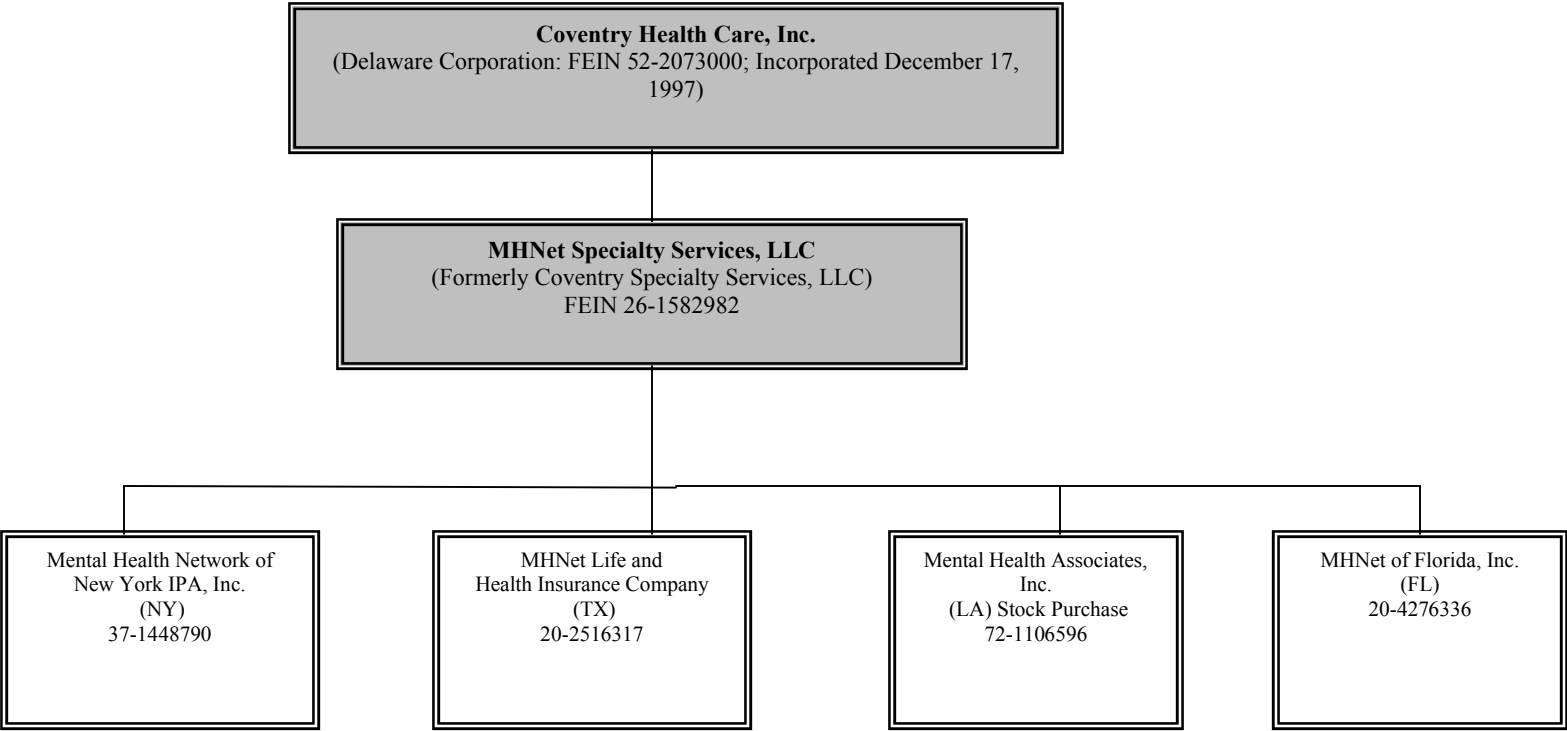
COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



COVENTRY HEALTH CARE, INC. ORGANIZATIONAL CHART (as of December 31, 2011)



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